



NOTICE TO SHAREHOLDERS

Notice is hereby given that the **Thirty Second** Annual General Meeting of the Members of Nelcast Limited will be held on Wednesday, the 6th August 2014 at 11.00 AM at P.V.R. Kalyanamandapam, Near R.T.C. Bus Stand, Gudur - 524 101, Andhra Pradesh to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2014, the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare Dividend for the Financial Year 2013-14.
3. To appoint a Director in the place of Mr. P. Vijaya Bhaskar Reddy (holding DIN 00020592), who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT M/s.J.B.REDDY & Co., (Firm Registration No.003256S), Chartered Accountants, be and is hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013, and Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. R. Mohan Reddy (holding DIN 00841038), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a consecutive period of five years with effect from 6th August 2014 to 5th August 2019."

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013, and Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. A. Balasubramanian (holding DIN 00490921), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a consecutive period of five years with effect from 6th August 2014 to 5th August 2019."

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to provisions of Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013, and Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. D. Sessa Reddy (holding DIN 00520448), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a consecutive period of five years with effect from 6th August 2014 to 5th August 2019.”

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), payment of remuneration of ₹ 1,00,000/- (Rupees One Lakh Only) (apart from re-imbursement of out-of-pocket expenses if any) to M/s. Jayaram & Associates, Cost Auditors for conducting the cost audit of the Company for the financial year ending March 31, 2015, be and is hereby approved and ratified.”

9. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, 310 & 311 read with Schedule XIII, and other applicable provisions, if any, of the Companies Act, 1956 and Sections 196, 197, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013, and Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to any other approval as may be required, the consent of the Company be and is hereby accorded to the re-appointment of Mr. P. Vijaya Bhaskar Reddy (holding DIN 00020592) as Deputy Managing Director of the Company for a period of three years from 1st April 2014 to 31st March 2017 and for the payment of his remuneration, allowances and perquisites as detailed below and as approved at the meeting of the Board of Directors and recommended by the Nomination & Remuneration Committee.”

Period : 3 Years from 01.04.2014 to 31.03.2017

Salary : Basic Salary of ₹ 3,27,000/- per month

Special Allowance of ₹ 50,000/- per month

Perquisites:

- (i) Housing: Free furnished residential accommodation, owned or leased out by the Company or House Rent Allowance subject to a ceiling of 30% of the Salary.
- (ii) Medical Reimbursement: Reimbursement of expenses incurred for self and family including premium for medical insurance.
- (iii) Personal Accident insurance Premium not exceeding ₹ 10,000/-.
- (iv) Contribution to funds: Company's contribution towards Provident Fund and Superannuation Fund will be as per the scheme of the Company. Gratuity as per the rules of the company, not exceeding half a month's salary for each completed year of service.
- (v) Car shall be provided for use on company's business and telephone at residence.
- (vi) Fees of Club allowed for one club.

A special incentive of Rupees Twenty Four Lakhs per annum shall also be paid.

Increment of not exceeding 20% may be paid during his tenure of three years.

Minimum Remuneration: In the event of loss or inadequacy of profits in any financial year, the Dy. Managing Director shall be paid a minimum remuneration as specified above and same shall be subject to the limits as set out in Section II of Part II of Schedule V of the Companies Act, 2013 (Corresponding Section II of Part II of Schedule XIII of Companies Act, 1956).

"RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

10. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT in supersession to the Ordinary Resolution adopted at the 26th Annual General Meeting held on 31st May 2008 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors to borrow from time to time any sum or sums of money on such terms and conditions and with or without security as the Board may think fit, which notwithstanding the fact that the amount borrowed / to be so borrowed (apart from temporary loans obtained / to be obtained in the ordinary course of business) may exceed the aggregate for the time being of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, by a sum not exceeding ₹ 200 Crores (Rupees Two Hundred Crores only)."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to negotiate, finalise and settle with the lenders concerned, all deeds, documents and writings for the purpose of borrowings and to do all such acts, deeds and things as may be necessary and expedient for giving effect to the aforesaid resolution."

11. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT in supersession to the Ordinary Resolution adopted at the 26th Annual General Meeting held on 31st May 2008 and pursuant to Section 180(1)(a) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the Board of Directors of the Company to create such charges, mortgages and hypothecation of all or any of the immovable and movable properties of the company, wherever situate, both present and future or the whole or substantially the whole of the undertaking or undertakings of the company in such form and in such manner as the Board of Directors may think fit, for securing any loans and/or advances already obtained or that may be obtained from any financial institutions/Banks/insurance companies or person or persons, and/or to secure any debentures issued and/or that may be issued and all interests, compound/additional interest, commitment charge, costs, charges, expenses and all other moneys payable by the company to the concerned lenders for the purpose of securing such borrowings.”

“RESOLVED FURTHER THAT the mortgage/charge created and/or all agreements/documents executed/to be executed and all acts done in terms of the above resolution by and with the authority of the board are hereby confirmed.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, desirable, expedient for mortgaging and/or charging the properties of the Company and for giving effect to the aforesaid resolution.

By Order of the Board

S.K. Sivakumar
*Chief Financial Officer &
Company Secretary*

Place: Chennai
Date : 24th May 2014

Registered Office
No. 34, Industrial Estate,
Gudur, Andhra Pradesh - 524 101.
CIN: L27109AP1982PLC003518

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY(S) NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
3. The dividend of ₹ 0.70/- per share has been recommended by the Board of Directors for the year ended 31st March 2014 and subject to the approval of the shareholders at the ensuing Annual General Meeting.
4. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
5. The Company has notified closure of Register of Members and Share Transfer Books from 1st August 2014 to 6th August 2014 (both days inclusive).
6. The proxy form duly completed should be deposited at the Registered Office of the Company / Office of the Share Transfer Agents not later than 48 hours before the commencement of the meeting.
7. Electronic copy of the Annual Report and the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes, unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the above documents are being sent in the permitted mode.
8. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.



10. Relevant documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Sundays, between 11 AM and 1 PM up to the date of the Meeting.
11. Pursuant to the provisions of section 205A of the Companies Act, 1956, and Section 124 read with Section 125 of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force) the amount of dividend remaining unpaid for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF) constituted by the Central Government. Members who have not encashed their dividend are requested to contact the Company's Registrar and Share Transfer Agent for payment in respect of the unclaimed dividend.
12. Members may also note that the Notice of the 32nd Annual General Meeting and the Annual Report for 2013-14 will also be available on the Company's website www.nelcast.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days.
13. **Re-Appointment of Directors:**

At the forthcoming Annual General Meeting, Mr. P. Vijaya Bhaskar Reddy, Director retires by rotation and being eligible offers himself for re-appointment. As per the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges, the information or details pertaining to him is furnished.

**Details of Director seeking Re-Appointment at the Annual General Meeting
(in pursuance to clause 49 of the Listing Agreement)**

Mr. P. Vijaya Bhaskar Reddy aged about 58 years has been with the Company since its inception and grown in the ranks to become Dy. Managing Director. He is a graduate in Law and a Member of the Institute of Chartered Accountants of India. Previously he was employed with M/s. Pennar Steels Limited as Accounts Officer. He has around 33 years of experience in finance and accounts and also in business management.

Details of other Directorships/Committee Memberships held by him:

Directorship	Committee Membership
NC Energy Limited	Nomination & Remuneration Committee
Ponnas Infrastructure Private Limited	Nil

14. Voting through electronic means:

- In compliance with provisions of Section 108 of the Companies Act, 2013 read with The Companies (Management and Administration) Rules, 2014, the company is pleased to offer e-voting facility to all the Shareholders of the Company. For this purpose, the Company has entered into an agreement with NSDL for facilitating e-voting to enable the Shareholders to cast their votes electronically.
- Mr. P. R. Lakshmi Narayanan, Practising Company Secretary, Chennai has been appointed as the Scrutinizer to Scrutinize the E-Voting Process in a fair and transparent manner.

The instructions for Shareholders for e-Voting are as under:

- A. In case of Shareholders' receiving e-mail from NSDL:
- i. Open e-mail and open PDF file viz., "Nelcast e-Voting.pdf" with your Client ID or Folio Number as password. The said PDF file contains your user ID and password for e-Voting. Please note that the password is an initial password.
 - ii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
 - iii. Click on Shareholder - Login.
 - iv. Enter the user id and password as initial password noted in step (i) above. Click Login.
 - v. Password change menu appears. Change the password with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi. Home page of e-Voting opens. Click on e-Voting: Active e-Voting Cycles.
 - vii. Select "EVEN" of Nelcast Ltd.
 - viii. Now you are ready for e-Voting as Cast Vote Page opens.
 - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - xi. Once you have voted on the resolutions, you will not be allowed to modify your vote.
 - xii. For the votes to be considered valid, then institutional shareholders (i.e., other than individuals, HUF, NRI, etc.,) are required to send scanned copy (PDF/JPEG Format) of the relevant Board Resolution / Authority Letter etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at scrutinizernelcast@gmail.com with a copy marked to evoting@nsdl.co.in

- B. In case of Shareholders' receiving the physical copy of the Notice of AGM:
- (i) Initial password is provided as below at the bottom of the Attendance Slip for the AGM.

EVEN	USER ID	PASSWORD/PIN

- (ii) Please follow all steps from S. No. (ii) to S. No. (xii) above, to cast vote.
- C. In case of any queries with respect to e-Voting, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the Download section of www.evoting.nsdl.com
- D. If you are already registered with NSDL for e-Voting then you can use your existing User ID and Password / PIN for casting your vote.
- E. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s). Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc from the Company electronically.
- F. The e-voting period for e-Voting module commences on 31st July 2014 @ 9.00 AM and ends on 2nd August 2014 @ 5.30 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date (record date) of 4th July 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once, the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- G. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 4th July 2014.
- H. The Scrutinizers shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in presence of at least two (2) witnesses not in the employment of the Company and make Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- I. The Results declared along with the Scrutinizer's Report shall be placed on the Company's Website www.nelcast.com and on the website of NSDL within 2 days of passing of the Resolutions at the 32nd AGM of the company and communicated to the stock exchanges where the shares of the Company are listed.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 5 to 11 of the accompanying Notice dated 24th May 2014.

Item No. 5

Mr. R. Mohan Reddy is a Non-Executive Independent Director of the Company. Mr. R. Mohan Reddy joined the Board of Directors of the Company on 02.01.1984. He is the Chairman of the Nomination & Remuneration Committee and member of the Audit Committee and Stakeholders Grievance Committee. A brief profile of Mr. R. Mohan Reddy is given below:

Mr. R. Mohan Reddy, aged about 73 years, holds a bachelor degree in Engineering and has completed his Masters in Business Management from Osmania University. He was a General Manager in Andhra Pradesh Industrial Development Corporation, in charge of project appraisals, revival of sick units, monitoring assisted units etc.; He was also the Managing Director of Hyderabad Allwyn Limited.

As per the provisions of Section 149 of the Act which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation.

Mr. R. Mohan Reddy has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, Mr. R. Mohan Reddy fulfills the conditions specified in the Act and the Rules made there under for appointment as an Independent Director and he is independent of the Management. The Company has received a notice from a member proposing his candidature for the office of the Director of the Company.

The matter regarding the appointment of Mr. R. Mohan Reddy as an Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as an Independent Director of the Company for a consecutive period of five years with effect from 6th August 2014 to 5th August 2019.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. R. Mohan Reddy as an Independent Director is now being placed before the Members in General Meeting for their approval.

The terms and conditions of appointment of Mr. R. Mohan Reddy, pursuant to the provisions of Schedule IV of the Act, shall be open for inspection at the Registered Office of the Company by any Member during normal business hours on any working day of the Company.

Details of other Directorships/Committee Memberships held by him:

Directorship	Committee Membership
Lokesh Machines Ltd	Audit Committee Nomination & Remuneration Committee Stakeholders Grievance Committee
M.L.R.Motors Limited	Nil
NC Energy Limited	Nomination & Remuneration Committee

This Explanatory statement may also be regarded as disclosure under clause 49 of the Listing Agreement with the stock exchanges.

The Board of Directors of your Company recommends the resolution for approval.

Memorandum of Interest:

Except Mr. R. Mohan Reddy, being an appointee, no other Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the above resolution.

Item No. 6

Mr.A. Balasubramanian is a Non-Executive Independent Director of the Company. Mr. A. Balasubramanian joined the Board of Directors of the Company on 31.10.2009. He is the Chairman of the Audit Committee and member of the Nomination & Remuneration Committee. A brief profile of Mr. A. Balasubramanian is given below:

Mr. A. Balasubramanian, aged about 65 years, holds a Bachelor degree in Science and a Chartered Accountant. He has about 38 years of experience in the areas of Banking, Finance and Management. He worked in Punjab National Bank for about 30 years at various capacities and retired as Chief General Manager. Earlier to that he worked in Tata Group of Companies for about 4 years.

As per the provisions of Section 149 of the Act which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation.

Mr. A. Balasubramanian has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, Mr. A. Balasubramanian fulfills the conditions specified in the Act and the Rules made there under for appointment as an Independent Director and he is independent of the Management. The Company has received a notice from a member proposing his candidature for the office of the Director of the Company.

The matter regarding the appointment of Mr. A. Balasubramanian as an Independent Director was placed before the Nomination & Remuneration Committee, which commends his appointment as an Independent Director of the Company for a consecutive period of five years with effect from 6th August 2014 to 5th August 2019.